

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN STEVE VICK**, on April 4, 2001 at 8:00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Steve Vick, Chairman (R)
Rep. Dave Lewis, Vice Chairman (R)
Rep. Matt McCann, Vice Chairman (D)
Rep. John Brueggeman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Rep. Tim Callahan (D)
Rep. Edith Clark (R)
Rep. Bob Davies (R)
Rep. Stanley Fisher (R)
Rep. Dick Haines (R)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. Jeff Pattison (R)
Rep. Art Peterson (R)
Rep. Joe Tropila (D)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Paula Broadhurst, Committee Secretary
Taryn Purdy, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 191, SB 393, SB 322, SB
484, SB 145
Executive Action: SB 191, SB 393

HEARING ON SB 191

Sponsor: SEN. BOB DEPRATU, SD 40, WHITEFISH

Proponents: Brenda Nordlund, Motor Vehicle Division
Dean Roberts, Administrator, Department of Motor
Vehicles
Sara Lipscomb, Montana Childrens Trust Fund,
Missoula.

Opponents: None

Informational Witnesses: Ross Swanson, Administrator,
Correctional Enterprises Program, Deer
Lodge,

Opening Statement by Sponsor:

SEN. BOB DEPRATU, SD 40, WHITEFISH, stated this bill was for generic license plates. He felt SB 191 and SB 393 needed to work together. Through the two bills new license plates would be provided saving the state a great deal of money and be a revenue enhancement at the same time. He said SB 191 would allow qualified organizations to sponsor generic specialty license plates as determined by the Department of Justice and Department of Motor Vehicles without presenting a bill before the legislature for each organization's request. There was a short video shown demonstrating the making of the license plates **EXHIBIT (aph76a01)**.

Proponents' Testimony:

Brenda Nordlund, Motor Vehicle Division, presented the amendments to SB 191 **EXHIBIT (aph76a02)**. She explained how they remove the double appropriation made in error. She stood in support of the bill.

Dean Roberts, Administrator, Department of Motor Vehicles, spoke about the fiscal note and cited figures of plates projected to be manufactured and the cost to the Montana State Prison Enterprise Division. He stressed SB 191 and SB 393 could stand alone; however, the fiscal note included both bills. He pointed out this would be an opportunity to teach new skills to prisoners needed to survive when they are released. He added there would be a cost to the general fund. He urged support of the bill.

Sara Lipscomb, Montana Childrens Trust Fund, Missoula, stated they had been in support of this concept since the beginning and rose in support of the bill.

Opponents' Testimony: None

Informational Witnesses:

Ross Swanson, Administrator, Correctional Enterprises Program, Deer Lodge, stated they produced the plates for the State of Montana and was available for questions from the committee.

Questions from Committee Members and Responses:

REP. JOEY JAYNE asked about the appropriations specified in the title of the bill from the general fund. **SEN. DEPRATU** answered it was necessary for leasing the machinery to begin operation in 2001. **Dean Roberts** added it was for producing costs to the prison.

REP. JOE TROPILA asked what would be done with the extra space that would become available in the current license plate operation.

Ross Swanson replied the new space would not be available until the next biennium which would be examined for other enterprise industries operations.

REP. JEFF PATTISON asked if it was possible to produce one replacement plate at a comparable cost for those plates lost from vehicles. **Dean Roberts** answered under present law a second set of plates costed \$2 and not the \$6 original issue price. The new operation would give them the ability to print the exact same number again and do only one plate at a time.

REP. STANLEY FISHER asked if the cost of the drying operation in the current system was determined at old or new costs. **Dean Roberts** replied it was the past rate.

REP. FISHER asked if there would be labor unrest in the prison as jobs were done away with the improved efficiency. **Dean Roberts** stated it would not put prisoners out of work; rather it would change the jobs that needed to be done and possibly add positions for prisoners.

CHAIRMAN STEVE VICK asked if the general fund revenue for the Lewis & Clark license plates in SB 393 was counted twice. **Dean Roberts** stated he did not see it was, but further examination of the figures may be necessary.

REP. JAYNE asked where the remainder of the funds would come from to make up the difference of the amount asked for in SB 191 and the actual cost of leasing the equipment. **SEN. DEPRATU** said the balance of the funds needed was in SB 393 in appropriations for the Lewis & Clark Bicentennial plates.

REP. DICK HAINES asked if there was any residual value in the equipment being phased out of the old operation. **Ross Swanson** replied they would be examining those options for equipment in order to recoup recent rebuilding costs.

REP. ROSIE BUZZAS asked if the price of plates to the consumer would increase or decrease. **SEN. DEPRATU** responded there would be a \$5 increase for the speciality plates, which would defray the cost of the machinery. He pointed out purchase of speciality plates was voluntary. The cost of the plates would generally be \$10 plus the amount the organization determined for the donation. Usually the organization sets the donation at \$20 making the cost of plates a total of \$30.

Closing by Sponsor:

SEN. DEPRATU stated this was a worthwhile effort, good for the state and good for the organizations. He added Idaho and Wyoming had recently contacted the Department of Motor Vehicle regarding production of plates for them. He closed on SB 191.

HEARING ON SB 393

Sponsor: **SEN. FRED THOMAS, SD 31, STEVENSVILLE**

Proponents: **Brenda Nordlund, Motor Vehicle Division**
Sharon McCabe, Centralized Services Manager, MT
Historical Society

Opponents: **None**

Opening Statement by Sponsor:

SEN. FRED THOMAS, SD 31, STEVENSVILLE, introduced SB 393, stating it would authorize the design, manufacture, and issuance of Lewis and Clark Bicentennial license plates. The voluntary revenues generated from this venture would help with bicentennial projects throughout the state.

Proponents' Testimony:

Brenda Nordlund, Motor Vehicle Division, distributed amendments to correct an error made in double accounting in SB 393

EXHIBIT (aph76a03). She briefly explained how SB 191 and SB 393 would be coordinated should they both pass. **EXHIBIT (aph76a04)**

Sharon McCabe, Centralized Services Manager, MT Historical Society, stood in support of SB 393. She stated the Lewis & Clark Bicentennial Commission was administratively attached to the Montana Historical Society. This was a practical way to advertise the event and gain support.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. DAVE KASTEN asked what the amount authorized loans would be as referred to in the fiscal note. **SEN. THOMAS** responded the purpose was to be able to loan against the value of the proceeds expected in order to have the plates ready for sale and projects ready when the event begins. The amount was expected to be no more than \$500,000. He added the revenue would repay the loans.

REP. CHRISTINE KAUFMANN asked why there were two bills; SB 393 and SB 191. **Brenda Nordlund** replied they came from two separate sponsors with different needs in mind. This would allow either one or both of the projects to go forward, but also not hinder one with the other.

REP. KAUFMANN asked for a general fund appropriation figure if both bills pass. **Brenda Nordlund** stated SB 191 had a combined fiscal note for both bills and would represent the bottom line figure.

Closing by Sponsor:

SEN. FRED THOMAS, SD 31, STEVENSVILLE, reaffirmed the need for this bill and how it would relate with SB 191. He closed on SB 393.

HEARING ON SB 322

Sponsor: **SEN. DEB SHEA, SD 18, BUTTE**

Proponents: **Bob Havolich, IBEW Local 233, Montana**
Bill Snody, Representing Self, Helena
Aidan Myhre, Montana Chamber of Commerce
Sarah Cobler, Associated Students, University of
Montana, Missoula and Dillon

**Arlene Parisot, Director of Work Force
Development, Office of Commissioner of Higher
Education
Patrick Montalban, Northern Montana Oil and Gas
Association
Don Judge, AFL-CIO
Jim Keane, Representing Self.**

Opponents: None

Informational Witnesses:

**John Tubbs, Department Natural Resources
and Conservation
Ingrid Childress, Chief, Program
Management Bureau, Department of
Labor and Industry**

Opening Statement by Sponsor:

SEN. DEB SHEA, SD 18, BUTTE, stated this bill was to create the natural resource workers' education program providing tuition scholarships for natural resource workers unemployed due to a closure or a permanent reduction in force. She said it was designed to help keep Montana unemployed workers in Montana. Eligible workers are from the timber, mining, and oil and gas industries. The funding was from a tax paid by the natural resource industry. She stated the fiscal note was not accurate with the amendments that had been put on. The amount was half what is indicated on the fiscal note.

Proponents' Testimony:

Bob Havolich, IBEW Local 233, MT., rose in favor of the bill stating a bill such as this would have helped keep workers in the state in the 1980's.

Bill Snody, Representing Self, stood in support and asked for a do pass of SB 322 for those people who had just lost their jobs with ASARCO of East Helena.

Aidan Myhre, Montana Chamber of Commerce, stood in support of SB 322 and spoke also about the loss of jobs in the closure of the East Helena smelter.

**Sarah Cobler, Associated Students, University of Montana,
Missoula and Dillon,** stood in support of SB 322. She cited statistics of skilled labor positions with education required.

Angela Janacaro, Montana Mining Association, Townsend, spoke in favor of the bill. She stated it was an opportunity to retrain open pit miners for underground mining.

Arlene Parisot, Director of Work Force Development, Office of Commissioner of Higher Education, urged the committee to pass SB 322. She spoke of the variety of new fields for a displaced worker with additional education and training.

Patrick Montalban, Northern Montana Oil and Gas Association, stated the association supported the bill with the RIT funds on the oil side removed, which the sponsor had done.

Don Judge, AFL-CIO, rose in support of SB 322. He spoke about the 2500 trackable layoffs in the State of Montana at the current time with recent announcements. The dislocated workers were increasing and the funds for retraining and/or education were decreasing.

Jim Keane, Representing Self, rose in support of SB 322.

Opponents' Testimony: None.

John Tubbs, Department of Natural Resources and Conservation, explained the funding source and stated he would be available to answer questions.

Ingrid Childress, Chief, Program Management Bureau, Department of Labor and Industry, stated she was available for questions regarding the administration of the program which would be done in this agency.

Questions from Committee Members and Responses:

CHAIRMAN STEVE VICK asked for a summary of the bills asking to use the RIT money and if there were sufficient funds for all bills if they passed. **John Stubbs** replied HB 572 and SB 322 take the major portion of two accounts which were actually in a negative balance at the current time. SB 322 would drive the balance further into the negative. There were some funds in the Orphan's Share Account but they were also being tapped for use in **SEN. BECK'S** bill. However, from a cash flow aspect, the funds would be available.

REP. KASTEN commented he was not ready to accept the natural resource based economy of Montana was dead without making further efforts to solve the problem.

REP. FISHER asked about the number of retraining programs for laid-off workers available now and administered by the Department of Labor and asked about the Job Corps Programs. **Ingrid Childress** responded and named specific programs. There were several in a variety of areas but not all were administered by the Department of Labor and Industry.

REP. FISHER asked what other retraining programs in place for the displaced workers and what educational programs are available. **Ingrid Childress** responded there were services available locally through the AFL-CIO program. She stated there were several educational programs available through Pell Grants and administered through the Office of Public Instruction.

REP. FISHER asked the sponsor if she would consider a sunset on the bill. **SEN. SHEA** stated the program was for five years only.

REP. HAINES asked about counseling that may be necessary. **SEN. SHEA** replied counseling and skill assessment was available as part of the administration of the program through the Department of Labor.

REP. HAINES asked what types of jobs were available to be held by retrained individuals and where they were located in the state.

SEN. SHEA answered there was a big future in technology and reclamation.

REP. HAINES asked if we were being realistic that jobs would be available in another area. **SEN. SHEA** stated part of the help was to help them live until they find a job and help themselves.

REP. HAINES asked about the assessment tools in place to evaluate the effectiveness of the program. **SEN. SHEA** replied she would be open to amendments being put in place for reporting back to future sessions.

REP. JOHN BRUEGGEMAN asked about the funding for scholarships going to OPI and if they would be given only at the university level. He also asked if the Vo-Tech Centers would be eligible.

SEN. SHEA answered certification and education was included. The funding would go to apprenticeships and/or GED programs. She stated it was a two-year program.

REP. BRUEGGEMAN stated he saw the need, but wondered if there were jobs for retrained people.

REP. KAUFMANN commented she had voted against the bill on the floor due to the fact that it drew from the Orphan's Share

Account, but with the changes made she would reconsider her vote.

Closing by Sponsor:

SEN. DEB SHEA, SD 18, BUTTE, closed on SB 322 by stating it was a very small amount of money to be expended to keep people in Montana.

HEARING ON SB 484

Sponsor: **SEN. TOM BECK, SD 28, DEER LODGE**

Proponents: **Jan Sensibaugh, Director, Department of
Environmental Quality
Don Allen, Western Environmental Trade Association**

Opponents: **Non.**

Opening Statement by Sponsor:

SEN. DEB SHEA, SD 18, BUTTE, introduced SB 484 and said it was an act creating a hard-rock mining reclamation debt service fund. It would use funds from the RIT Account after it reaches its cap of \$100 million later in the year 2000. He added there were serious water quality problems in the abandoned mines that need to be addressed.

Proponents' Testimony:

Jan Sensibaugh, Director, Department of Environmental Quality, explained the problems created by the bankruptcy of the Pegasus Mining Company and others that were un-bonded. There were serious water quality problems at many mine locations, and reclamation will take years. The DEQ does not see general fund monies being available for this purpose. She explained the proposed funding source and gave an example of fund shortages in one reclamation project. She distributed information for the committee on the funding flow-chart **EXHIBIT (aph76a05)**.

Don Allen, Western Environmental Trade Association, rose in support of SB 484 and complimented the DEQ on their efforts.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. KAUFMANN asked about the water treatment plant and its operation cost. **Jan Sensibaugh** stated it would be a five-year operation, but did not know the amount necessary to operate it.

REP. KAUFMANN asked for clarification on the money going into the Orphans Share Account. **Jan Sensibaugh** answered about \$600,000 per year goes into the account. When the RIT was capped at \$100,000,000 an additional \$600,000 will go into the account.

REP. KAUFMANN asked how it was possible to check with others on the anticipated use of the Orphans' Share Account when it was used for unanticipated expenses. **Jan Sensibaugh** stated they checked with other people who might be planning to use it and they agreed to defer.

REP. KAUFMANN asked why individual agencies had access to use the account when it was an account designated for use by the state. **Jan Sensibaugh** stated people who see a need for using the account have to apply for use in the proper manner.

REP. KAUFMANN asked if they should be concerned the State of Montana would pick up the tab for companies to go bankrupt. **Jan Sensibaugh** answered the bonding process had been audited and concerns were addressed regarding adequate bonding.

REP. JAYNE asked who paid the license tax. **Jan Sensibaugh** answered the mines currently operating in the state pay the tax.

REP. JAYNE asked if the mine companies paying the tax agree with this method of funding reclamation. **Jan Sensibaugh** stated they were in agreement.

REP. MATT MCCANN asked if there were any projects in excess of the amount that could be required for bonding. **Jan Sensibaugh** stated they were a few projects which were not sufficiently bonded.

REP. MCCANN asked if this bill would be adequate to fund reclamation of the current projects. **Jan Sensibaugh** stated if the proper amount was received from the remaining mines, it would be adequate; however, if not, the bill would not be adequate.

Closing by Sponsor:

SEN. TOM BECK, SD 28, DEER LODGE, stated the reclamation had to be done as required by the State of Montana. If industry dollars were not allocated for this, general fund dollars would be required. He asked for a do pass recommendation on this bill.

HEARING ON SB 445

Sponsor: **SEN. MIKE TAYLOR, SD 37, PROCTOR**

Proponents: **Lt. Governor Karl Ohs**
 Evan Barrett, Montana Environmental Protection
 Agency
 Mark Simonich, Director, Department of Commerce
 Don Allen, Western Environmental Trade Association
 John Shontz, Montana Newspaper Association
 Keith Colbo, Montana Investors
 Web Brown, Montana Chamber of Commerce
 REP. DAVE GALLIK, HD 53, HELENA
 Dick Crofts, Commissioner of Higher Education
 Kathy Conover, Montana State University
 Bill Johnston, University of Montana

Opponents: **None**

Opening Statement by Sponsor:

SEN. MIKE TAYLOR, SD 37, PROCTOR, said this bill would reorganize the Department of Commerce and transferring certain economic developments to the Governor's Office. He discussed only the funding portion of the bill. He distributed information for the committee on the reorganization chart **EXHIBIT (aph76a06)** and **EXHIBIT (aph76a07)**. He felt this type of reorganization had been done in other states and was very successfully.

Proponents' Testimony:

Lt. Governor Karl Ohs, spoke in support of SB 445 and the importance of demonstrating Montana's commitment to economic development.

Evan Barrett, Montana Environmental Protection Agency, urged the committee to find the right funding components to make the bill work as Montana needed the right focus on economic development and to set it in the forefront with a properly organized Department of Commerce in the process.

Mark Simonich, Director, Department of Commerce, explained briefly where the regulatory duties of the Department would be placed. He referred to the bottom of page one of the fiscal note listing those changes.

Don Allen, Western Environmental Trade Association, offered strong support for the bill. He said economic development for

the State should be in the Governor's Office to give it the highest profile possible.

John Shontz, Montana Newspaper Association, stood in support of the bill with an amendment offered as distributed to the committee **EXHIBIT (aph76a08)**. He said it was to retain the Board of County Printing and he asked the committee to give fair consideration to the amendment.

Keith Colbo, Montana Investors, rose in support of SB 445 and stated it was a bold move and appropriate on the part of the Governor.

Web Brown, Montana Chamber of Commerce, spoke in favor of a do pass on the bill.

REP. DAVE GALLIK, HD 52, HELENA, stood in support of SB 445 with some concern regarding the funding and asked the committee to leave the amendment in as added by the Business and Labor Committee. The original funding was to use money from the University system research programs and he asked the committee to find funding elsewhere. He also asked the committee to reconsider the transfer of the Department of Consumer Affairs to the Department of Administration. He felt it belonged in the Department of Justice in order to have the legal expertise needed.

Dick Crofts, Commissioner of Higher Education, stood in support of the bill asking the committee to reconsider the funding source of the research and commercialization fund from the university system. He spoke of the necessity of the research funding to remain in tact to be used in matching monies for federal grants. There are several bills proposing use of this fund, which would result in damaging the research fund. He was in support of the bill, but urged the committee to find funding elsewhere.

Kathy Conover, Montana State University, rose in support of the bill and Commissioner Crofts' testimony. She distributed supportive information regarding the research and commercialization fund of the university system and a listing of grants awarded with the funds received during the special session **EXHIBIT (aph76a09)** and **EXHIBIT (aph76a10)**.

Bill Johnston, University of Montana, stood in support of the bill and also questioned the source of funding.

Opponents' Testimony: None

Informational Witnesses: None

Questions from Committee Members and Responses:

CHAIRMAN VICK asked what resources were in the resource and commercialization trust and how much money had been used. **Mark Simonich** answered it was general fund money and interest from the coal trust and was expendable. He added it does not continue to grow.

REP. KASTEN asked about Consumer Affairs being transferred to the Department of Justice. **SEN. TAYLOR** responded the Justice Department was asked to absorb Consumer Affairs and would not without additional funding. The main concern in putting it in the Department of Administration was the telemarketing program which is the most serious issue.

REP. MCCANN asked about the action of the special session regarding \$4.5 million over the next three years. **Commissioner Crofts** stated HB 260 funding \$9 million per year, HB 1 in the special session funded the Board of Regents \$4.4 million in a one-time-only appropriation for the EPSCORE matching grants. It also funded the Research and Commercialization Board \$2.3 million this year. In total there was \$6.7 from the special session. Under HB 1 in the next four years, the funding was only to the Research and Commercialization Board with no funding to the Board of Regents.

REP. KAUFMANN asked why the bill costed \$800,000. **SEN. TAYLOR** stated there were some exempt positions in the bill that needed to be funded at some point. They were key positions to get economic development started and compared to other states is as modest as only 30%.

REP. KAUFMANN asked how many exempt positions there were. **SEN. TAYLOR** replied there were seven, which were not necessarily new positions, but rather reallocated and rededicated positions. He compared the request to Idaho's agency.

REP. KAUFMANN asked, as the bill was presented today, what was the funding source. **SEN. TAYLOR** answered there was no funding at this time until another amendment was presented, which he intended to present in the closing. He suspected it was a priority and funding would be taken from somewhere.

REP. MONICA LINDEEN asked about moving the agencies to various other departments and transferring FTE's. **SEN. TAYLOR** answered he did not know why funding was required by the Department of Justice in order to absorb Consumer Affairs, however, the

situation had changed and with an amendment, they would take over Consumer Affairs.

REP. LINDEEN asked about the job description for the exempt position of Technology Advisor. **SEN. TAYLOR** stated the job description had not been written.

REP. BUZZAS asked about the exempt positions and what the functions would be of each. **SEN. TAYLOR** stated there were not exact figures for the salaries as of yet, however, the positions needed to be exempt in working with the Lt. Governor and Governor's staff.

REP. BUZZAS asked what the goals were for the new positions and what was being targeted. **SEN. TAYLOR** answered in terms of corporate structure, certain positions were necessary. State government was the biggest business in the State of Montana at this time and needed "officers" accordingly.

REP. BUZZAS asked about the salary estimates. **SEN. TAYLOR** stated in looking at what money was available, there would be few positions in the \$175,000 range.

REP. HAINES asked about the difference between the Technology Advisor and the Chief Economic Development Officer. **SEN. TAYLOR** answered the Chief Economic Development Officer needed to be able to work strictly with private industry. The Technology Advisor works more with the government infrastructure.

REP. HAINES asked what other funding sources were being considered if the money was not taken from the University System research fund. **SEN. TAYLOR** stated there was no definite area in mind, but it would be a priority to find funding.

REP. HAINES stated he would be willing to work hard with the sponsor to find funding elsewhere.

REP. JOHN WITT asked about the proposed funding source from the University System. His constituents use the services from the research on agriculture and would definitely not like to see the money diverted to another project. **Mike Foster, Commissioner of Labor, Governor's Office Representative**, stated this administration had shown support of the University System, however, the funding option using money from the research and commercialization area will be explained further by the sponsor in closing. **EXHIBIT (aph76a11)**

REP. JAYNE asked why exempt salary amounts were not available if the business plan had been worked on for such a length of time.

SEN. TAYLOR stated the business plan was very sound and micro-managing the business plan was not necessary.

REP. JOE TROPILA asked if the amendment brought forth by the Montana Newspaper Association was considered a friendly amendment. **SEN. TAYLOR** responded it was.

Closing by Sponsor:

SEN. MIKE TAYLOR, SD 37, PROCTOR stated although it was a bold step, it was the right step at the right time and in the right direction. He offered an amendment regarding the funding **EXHIBIT (aph76a12)**. He stated the University System was allowed \$7,500,000 ten months ago in the special session. The session also set into law \$5,115,000 for the next four years for research and development which he strongly supports. He was under the impression that private companies would be involved in the University System funds for research and development, which was not the case. If money was taken out for SB 445, the University System remained funded at a higher level than any previous time. He asked for concurrence on the amendment and closed on SB 445.

EXECUTIVE ACTION ON SB 191

Motion: **REP. EDITH CLARK MOVED THE AMENDMENTS**

Discussion:

CHAIRMAN VICK explained the amendments. He said these amendments takes care of the double funding provided by mistake.

Vote: **Motion carried unanimously**

Motion: **REP. CLARK MOVED SB 191 DO PASS AS AMENDED**

Discussion:

REP. JAYNE clarified \$146,000 was being appropriated from the general fund, but would be replaced with \$8 of the \$10 fee. It was treated as a loan to be repaid with fees. She wondered about the number of plates to be made.

CHAIRMAN VICK stated 20,000 sets were estimated to be produced which would generate \$160,000 for this purpose. If the bill passed for the special Lewis & Clark Bicentennial plates, there would be a slight net gain since they expect to sell the largest number of Lewis & Clark plates.

REP. BOB DAVIES clarified the plates were voluntary and would remain voluntary.

CHAIRMAN VICK stated if the projected figures were not sold, the cost would be absorbed by the general fund, however, projected figures were conservative.

REP. FISHER commented this was an excellent method to get new equipment into the prison for production of plates. The current equipment was purchased in 1935 and is becoming archaic.

REP. MCCANN stated although replacement of the equipment in the prison was unrelated to the bill, it was a benefit. He asked if the new plates would be as sturdy as the old and if the stickers would adhere. **Dean Roberts** stated the new plate would use the same sticker process as the current plates.

Vote: Motion carried unanimously

EXECUTIVE ACTION ON SB 393

Motion: REP. WITT MOVED SB 393 BE AMENDED

Discussion:

REP. WITT clarified the amendment corrected the double accounting error similar to SB 191.

Vote: Motion carried unanimously

Motion: REP. WITT MOVED SB 393 BE CONCURRED IN AS AMENDED

Discussion:

REP. BUZZAS asked for clarification as to the various sources of funding the Lewis & Clark Bicentennial Commission would be receiving. **CHAIRMAN VICK** responded there would be some money from the Historical Society, and Fish, Wildlife and Parks (FWP) in addition to the license plates. **Jane Hammon, Office of Budget and Program Planing**, stated \$400,000 was designated for the Lewis & Clark Commission from the bed tax with some funds going directly to the Historical Society for their part. FWP's amount originally in HB 5 has been deleted.

REP. BUZZAS asked if money was going to the general fund. **CHAIRMAN VICK** replied a small amount goes to the general fund, but the majority of the fees goes to the Commission.

REP. KASTEN asked about the title of the bill allowing them to obtain a loan. He wondered if it was necessary to put an amount on the loan. **REP. DAVIES** responded they could not borrow more than could be repaid and the Board of Investments would monitor that closely.

REP. JAYNE asked if the plate had been designed. **Dean Roberts, Department of Motor Vehicles**, responded the plate design was not definite at this time. However, the preliminary designs had Sacajawea on it as well as Lewis & Clark.

REP. MCCANN asked for further clarification about repayment for the loan. **CHAIRMAN VICK** responded it was outlined on page two of the bill.

REP. KASTEN reminded the committee about the cost benefits of new equipment.

Vote: Motion carried unanimously

ADJOURNMENT

Adjournment: 11:45 A.M.

REP. STEVE VICK, Chairman

CECILE M. TROPILA, Transcriptionist_

SV/PB/CT

EXHIBIT (aph76aad)